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REMARKS

In accordance with the foregoing, claims 1, 7, 13, 21-22 and 24 are amended herein. No new matter is presented and entry and approval are requested.

Claims 19, 20 and 23 are cancelled herein without prejudice or disclaimer.

Claims 1, 4-7, 10-13, 16-18, 21-22 and 24 are pending and under consideration. Reconsideration is requested.

Items 7, 8, 10, and 12: Rejections under 35 U.S.C. §101

In items 7, 8, 10, and 12 of the Office Action, the Examiner rejects claims 7, 10-13, 16-18, 22 and 24 under 35 U.S.C. §101. The rejections are traversed.

In item 7, the Examiner rejects claims 7 and 10-12 as being directed to non-statutory subject matter and asserts that claim 7 recites a method that is:

[N]ot tied to any particular apparatus, nor does the method transform any underlying subject matter to a different state or thing. The method merely performs computations upon digital data resulting in other digital data. There is no transformation of an article or material to a different state or thing.

(See, Office Action at page 6, lines 3-8).

Claim 7 is amended herein to address the Examiner's concerns and recite a method including an "...embedding, using a processor,..." (Amendatory language underlined).

Applicants submit that the Examiner's concerns are addressed and that claim 7 and claims 10-12 that depend from 7 comply with 35 U.S.C. §101. Thus, the rejection should be withdrawn.

In item 8, the Examiner rejects claims 13 and 16-18 as being directed to non-statutory subject matter and asserts that claim 13 recites:

[A] "computer-readable recording medium storing a program . . . " . . . However, the program is not necessarily a computer-executable program. The program could, for example, be executed manually by an operator, thus making the computer perform the recited process. Thus, claim 13 could simply be a program listing one stored on a computer disk.

(See, Office Action at page 6, lines 14-21).

Claim 13 is amended herein to address the Examiner's concerns and recite a computerreadable recording medium that "stores a <u>computer</u> program that, when executed <u>by a</u> <u>computer</u>, makes <u>the</u> computer perform a process..." (Amendatory language underlined).

Applicants submit that the Examiner's concerns are addressed and that claim 13 and

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claims 16 -18 that depend from claim 13 comply with 35 U.S.C. §101. Thus, the rejection should be withdrawn.

In item 10, the Examiner rejects claim 22 asserting the method is not:

[T]ied to any particular apparatus, nor does the method transform any underlying subject matter to a different state or thing. The method merely performs computations upon digital data resulting in other digital data. There is no transformation of an article or material to a different state or thing.

(See, Office Action at page 7, lines 16-22).

Claim 22 is amended herein to address the Examiner's concerns and recite a method of embedding, using a processor. (Amendatory language underlined).

Applicants submit that the Examiner's concerns are addressed and that claim 22 complies with 35 U.S.C. §101. Thus, the rejection should be withdrawn.

In item 12, the Examiner asserts claim 24 recites a program that is not necessarily a computer-executable program. (See, Office Action at page 8, lines 12-14).

Claim 24 is amended herein to address the Examiner's concerns and recite a computerreadable recording medium that stores a <u>computer</u> program, that when executed <u>by a computer</u>, makes a <u>the</u> computer perform embedding a code into image data." (Amendatory language underlined).

Applicants submit that the Examiner's concerns are addressed and that claim 24 complies with 35 U.S.C. §101. Thus, the rejection should be withdrawn

Conclusion

Thus, the rejection of claims 7, 10-13, 16-18, 22 and 24 under 35 U.S.C. §101 should be withdrawn.

ALLOWABLE SUBJECT MATTER

In item 2 of the Office Action, the Examiner indicates that no prior art has been discovered teaching each and every limitation of any of independent claims 1, 7, 13, 21, 22, and 24.

Applicants thank the Examiner for the indication of allowable subject matter.

In view of the above, and the traversal of the rejections 35 U.S.C. §101, claims 1, 4-7, 10-13. 16-18. 21-22 and 24 should be allowed.

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Conclusion

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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